

## Congressman Boucher's Statement to the Press, July 6, 2004

### STATEMENT OF CONGRESSMAN RICK BOUCHER

#### A Light Regulatory Touch for Voice Over Internet Protocol Services

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The arrival of advanced communications offered over the Internet, notably Voice over Internet Protocol (VoIP) service, promises a broad transformation in the communications marketplace.

VoIP, with its packet-switched architecture, offers a far more convenient and less costly means of making telephone calls than the currently used circuit-switched technology. Internet-based telephone calling will bring digital clarity, greater flexibility of service offerings and substantial consumer savings over the analog circuit-switched technology now widely in use.

The superior qualities of VoIP will result in a transformation of the voice telephony market in coming years. New businesses will be formed to offer VoIP, and existing telephony providers will develop new business models around the technology as well. As video-based IP services are broadly introduced, even greater market transformations will occur.

As the private sector both welcomes and accommodates this dramatic change, a new regulatory framework is required. The legislation my colleague Cliff Stearns and I are introducing is designed to provide that new regulatory framework.

Our goal is to treat all advanced IP applications, including VoIP, with a light regulatory touch. Since every Internet user who is equipped for advanced services will have a broad choice of service providers, the services will be highly competitive. Accordingly, the regulations which have governed monopoly telephone networks should not apply to new competitive Internet-based technology.

In introducing the Advanced Internet Communications Services Act of 2004, Mr. Stearns and I are seeking to frame the debate on advanced Internet communications regulation, including VoIP regulation, in anticipation of a broader telecommunications overhaul in the Congress beginning in 2005. By suggesting basic ground rules today, we are hoping to make a substantial contribution to the rewriting of the 1996 Telecommunications Act.

Our bill would declare all advanced Internet communications services, including VoIP, video and data applications, to be interstate services subject to the exclusive authority of the Federal Communications Commission.

The service is specifically excluded from the categories of information Service and telecommunications service. As an advanced Internet communications service it will have its own set of regulatory principles as specified in our bill.

Neither the FCC nor any state would be permitted to regulate the rates, charges, terms, or conditions for, or entry into or exit from the provision of any Internet-based voice, data, video or other form of communication that is sent to or received over an Internet protocol architecture.

Regarding VoIP specifically, we direct the FCC to regulate voice services utilizing Internet architectures that are offered for a fee to protect public safety by assuring E-911 capability, to assure an appropriate contribution to the Universal Service Fund, to provide access to persons with disabilities and to provide just and reasonable intercarrier compensation when the public-switched network is used to terminate a call which originates as a VoIP call.

The bill does not prohibit the states or the federal government from assuring consumer protections incident to the offering of Internet-based communications services.

The bill requires that parity in regulatory treatment be achieved among the various providers of advanced services. This provision marks a major departure from current law with its focus on regulating industry sectors without regard to the services they offer. Under the Stearns-Boucher bill, the same regulations will apply to all Internet platforms over which Internet-based services are offered, whether the platforms be operated by telephone companies, cable companies or other providers. The enactment of this provision would place in law the valuable concept that all providers of similar services be treated equally from a regulatory standpoint.

I want to thank my colleague Mr. Stearns for his outstanding work and cooperation as we have assembled this measure. Its introduction and the debate which will follow promises a new and appropriate regulatory era for Internet-based communications.